

## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET  
SACRAMENTO, CA 95814-5512



May 17, 2001

Mr. James C. Feider  
Electric Utility Director  
City of Redding  
P.O. Box 496071  
Redding, CA 96049 – 6071

**RE: Approval of Request to Remove Energy Production Restrictions**  
**REDDING PEAKING POWER PLANT (92-SPPE-2C)**

Dear Mr. Feider:

California Energy Commission (Commission) staff reviewed your amendment petition dated April 2, 2001, and modified on April 27, 2001, requesting a temporary increase in quarterly and annual permitted emissions limits and removal of energy production restrictions. The proposed changes would allow the Redding Electric Utility (REU) to increase energy deliveries to the grid by as much as 238 gigawatt hours per year.

As directed by the Governor's Executive Order D-25-01, concerning post-certification amendments, Commission staff has expedited the review of this proposed project modification because statutes and implementing regulations that normally apply to review and approval of amendments have been suspended. Commission staff has concluded that this modification has no potential for adverse environmental or public health and safety impacts. Therefore, you are authorized to proceed with the project modifications as requested from May 17, 2001 until March 7, 2004, with the provision that REU surrender Emission Reduction Credits (ERCs) to reduce the potential impacts to the extent feasible. March 7, 2004 is the limit imposed by Governor's Executive Orders D-24-01 and D-28-01.

To cover the temporary increases, the face value of the certificate to be temporarily surrendered (in pounds per quarter) is as follows:

Offset Source per Quarter

Source	Qtr 1 Lbs/Qtr	Qtr 2 Lbs/Qtr	Qtr 3 Lbs/Qtr	Qtr 4 Lbs/Qtr	Offset Ratio
NOx	6,667	6,667	0	6,667	1.0
ROC	785	785	0	785	1.0
PM10	3,310	3,310	0	3,310	1.0
SO2	418	418	770	418	1.0

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Please note that these ERCs will revert to the ERC owner on March 8, 2004, at their face value.

A copy of this letter will be posted on the Energy Commission's website at [www.energy.ca.gov](http://www.energy.ca.gov). In addition, Commission staff will file a California Environmental Quality Act Notice of Exemption with the State Clearinghouse.

If you have any questions, please contact Connie Bruins, Compliance Project Manager, at (916) 654-4545, or by e-mail at [cbruins@energy.state.ca.us](mailto:cbruins@energy.state.ca.us).

Sincerely,

ROBERT L. THERKELSEN, Deputy Director  
Systems Assessment & Facilities Siting

cc: Senator Maurice Johannessen  
Assemblyman Dick Dickerson  
Michael Warren, City Manager, City of Redding  
W. Leonard Wingate, City Attorney, City of Redding  
Mike Kussow, Shasta County AQMD